



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

June 10, 2009

Marisa Charette
Executive Director
Tustin Chamber of Commerce
399 El Camino Real
Tustin, CA 92780

Dear Ms. Charette:

RE: Final MONITORING VISIT REPORT for Tustin Chamber of Commerce Entrepreneurial Skills Training - ET07-0339

Date of the Visit:	4/23/09
Beginning/Ending Time:	10:00am – 11:00am
Date of Last Visit:	1/19/08
Visit Location:	Via Teleconference – from SD ETP Office
Persons in attendance:	Marisa Charette, Executive Director, Tustin Chamber of Commerce (TCC); and Suzanne Godin, ETP Contract Specialist
Action Items remaining from Prior Meeting:	No
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	5/01/07-4/30/09	Agreement Amount:	\$73,120
Training Start Date:	5/02/07	No. to Retain:	50
Date Training must be Completed:	1/29/09	Range of Hours:	8-60
Type of Trainee:	SET Small Business Owner	Weighted Ave. Hours:	60

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SACRAMENTO, CA 95814
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ETP (04/15/05)

FINAL REPORT SUMMARY:

AGREEMENT HISTORY

The agreement was approved at the April 2007 Panel Meeting and was executed on 6/01/07. Training began on 5/02/07. ETP approved one amendment during the term of the Agreement that extended the term ending date by an additional 12 months. This amendment was approved by the Regional Manager on 11/6/07.

INTERVIEW WITH THE CONTRACT SIGNATORY: MARISA CHARETTE

You stated that marketing the Entrepreneurial Skills training program to small business owners and getting participants to make a commitment to attend classes was more challenging than anticipated, and that you were bewildered by the lack of response received from your marketing efforts. You received a huge response from the training needs survey you conducted (with TCC's members) during development of the ETP training plan and developed the curriculum in response to the feedback you received. Although retention on the last training session completed on 12/01/07, you continued to actively recruit participants and even amended your agreement (for an additional 12 months) in the hopes of recruiting enough trainees for subsequent sessions.

You added that the small business owner wears many hats and typically works far more than an eight hour day; and although these owners expressed a lot of initial enthusiasm for the program; when registration deadlines approached for a training session, they were unwilling to commit the time needed to attend and complete training. You believed that the country's economic downturn also played a significant role in the program's lack of success. You are now the only full-time employee at TCC; are open only four days a week; and rely heavily on volunteers and a few part-time employees. Many of your members have been forced to close their doors; move out of the area; or merge with other companies. Whereas the Chamber averaged ten new members a month when this Agreement was developed; you are now averaging 3 or fewer new members monthly.

This was TCC's second ETP-funded Agreement. Your first Agreement provided advanced technology computer skills to incumbent workers from participating employers. TCC placed 62% of the planned retentions for a total reimbursement of \$312,570 (53% of the encumbered amount). Therefore, you stated that you had every reason to believe that you would enjoy the same level of success with subsequent Agreements; which unfortunately did not come to pass. Marketing, training and project administration was provided by an administrative subcontractor in the first Agreement. You elected to provide all training and administration in-house for this Agreement, but found that limited human resources made it difficult to devote the time necessary to deliver those services.

Lastly, you added that the ETP Small Business Owner eligibility criteria was extremely limiting; specifically the limitation that a business have no more than 9 full time employees and the requirement that each trainee have at least a 20 percent ownership in the business. You suggested that revising the eligibility criteria to allow participation of businesses with as many as 25 full time employees; as well as the inclusion of trainees who were not owners, but held an executive level position within the company (and had been designated by the owner as the company's representative), would make it easier to successfully secure small business participation.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Trainees Started Training:	3	Completed Training:	2
Trainees Enrolled:	2	Completed Retention:	2
Dropped Following Enrollment:	0	In Retention Period:	0
No. Completed Minimum Reimbursable Hours :	2		

DISCUSSION OF PROJECTED EARNINGS:

You stated that the statistics on the class/lab tracking system were correct which shows that 2 trainees (2 percent of planned retentions) completed the specified range of class/lab hours (8-60) and retention period. TCC tracked 29.75 eligible hours on the ETP class/lab tracking system for the aforementioned 2 trainees. Therefore, TCC is eligible to earn \$699 (1 percent of the encumbered amount) if all other agreement conditions are met. As of the date of this report, TCC had received \$699, all of which is shown as earned final payments.

TRAINING STATUS:

The statistical data submitted by you during this visit, as detailed above, agreed with the information contained on ETP's Trainee Status Report.

INVOICES:

No invoices had been submitted since the last monitoring visit.

AUDIT:

You will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable.

Listed below are types of records typically requested during an ETP field audit:

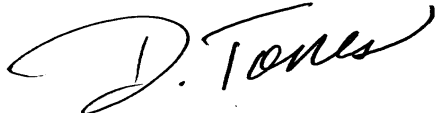
- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Suzanne Godin at (619) 686-1918 or at sgodin@etp.ca.gov within ten (10) working days from the receipt date of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Torres", with a large, stylized loop at the end.

Diana Torres, Manager
San Diego Regional Office

A handwritten signature in black ink, appearing to read "SMB", with a large, stylized loop at the end.

Suzanne Godin, Contract Analyst
San Diego Field Office

cc: Kulbir Mayall, Fiscal Manager
Diana Torres, Regional Manager
Master File
Project File